

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:482
ANSWERED ON:21.11.2002
DEMAND AND PRODUCTION OF CRUDE OIL
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether there is a huge gap between demand and indigenous production of crude oil;
- (b) if so, the details thereof;
- (c) whether demand in respect of crude is increasing year after year and the production has been stagnant to 31.33 MMT from the year 1996-97 to 2000-2001;
- (d) whether the steps taken by the Government to increase the crude oil production in the country has not been able to minimise the dependence of crude oil on foreign source;
- (e) if so, the reasons therefor; and
- (f) the steps taken or being taken by the Government in this regard?

Answer

Minister of State in the Ministry of Petroleum & Natural Gas and Minister of State in the Ministry of Parliamentary Affairs (Shri Santosh Kumar Gangwar)

(a) to (c) : The indigenous crude oil production as against the demand thereof in terms of refinery throughput in the country during 1996-97 to 2000-01 is given below :-

Year	Production (In terms of refinery crude throughput) {Million Metric Tonne (MMT) }	Demand
1996-97	32.901	62.870
1997-98	33.855	65.166
1998-99	32.704	68.538
1999-2000	31.927	85.964
2000-01	32.426	103.444

(d) & (e) : The dependence on crude oil from foreign sources could not be reduced due to:-

- indigenous crude production remaining more or less stable; and
- increase in consumption of petroleum products.

(f) Several important steps have been taken to increase oil and gas production, which include the following :

(i) to improve the recovery factor from existing major fields by implementing Enhanced Oil Recovery (EOR)/Improved Oil Recovery (IOR) schemes; in particular Oil and Natural Gas Corporation Limited (ONGC) has taken up 15 fields for this purpose at an estimated investment of Rs. 10,000 crore, which would also help in accelerating oil production from these fields.

(ii) to increase exploration efforts through the New Exploration Licensing Policy (NELP). Under the first and second rounds of NELP, Production Sharing Contracts (PSCs) have been signed for 47 blocks. Offer of 27 exploration blocks under NELP-III was also announced in March 2002 and a total of 45 bids for 23 Blocks has been received by the bid closing date i.e. 28.8.2002.

(iii) to explore in new areas, especially in deep water and difficult frontier areas, as also explore in the deeper layers of the producing fields.

(iv) to develop faster the newly discovered fields and to step up the use of new technologies for seismic surveys, work over, stimulation operations, drilling of wells etc. in producing areas.

(v) to acquire acreages abroad.